

## CONTENTS

### COMMODITY ADMINISTRATIVE MANUAL

	<u>Part</u>
REVISION UPDATE LOG .....	vi
PREFACE .....	vii
ACKNOWLEDGMENTS .....	viii
NUTRITION SERVICES DIVISION .....	ix
I. INTRODUCTION .....	1-1
A. STATE DISTRIBUTION PROGRAM .....	1-1
DIRECT SHIPMENT AGENCIES .....	1-2
COOPERATIVE ORGANIZATIONS.....	1-2
B. WAREHOUSE LOCATIONS .....	1-3
C. DIRECTORY BY PROGRAM AND UNIT .....	1-4
D. DIRECTORY BY TOPIC.....	1-5
E. ORGANIZATION CHART .....	1-9
II. ELIGIBILITY.....	2-1
A. NATIONAL SCHOOL LUNCH PROGRAM.....	2-2
B. SUMMER FOOD SERVICE PROGRAM .....	2-3
C. CIVIL RIGHTS .....	2-4
III. ORDERING FOOD .....	3-1
A. AVAILABLE COMMODITIES.....	3-1
B. ALLOCATION -- DETERMINING A FAIR SHARE -- ENTITLEMENT .....	3-1
C. DONATED FOOD RECEIVING ALTERNATIVES .....	3-2
Regular Offerings .....	3-2
Advance Ordering/Diverted Shipments .....	3-2
State Co-op .....	3-3
Direct Shipment.....	3-3
D. REGULAR OFFERING ORDERING PROCEDURES .....	3-4
Completing the Offering.....	3-4
Pickup by Agency at Distribution Center .....	3-4
Pickup by Processor at Distribution Center .....	3-5
Extended Storage Information .....	3-5
E. SUMMER FOOD SERVICE PROGRAM FOR CHILDREN OFFERINGS.....	3-5
Completing the Offering.....	3-6
Shipping and Pickup.....	3-6
Leftover Food .....	3-6
F. Department of Defense (DOD) Fresh Fruit & Vegetable Pilot Project.....	3-7

<b>IV. DELIVERY AND RECEIPT OF COMMODITIES.....</b>	<b>4-1</b>
A. RECEIVING PROCEDURES.....	4-1
Delivery by Commercial Carrier and/or State Trucks.....	4-1
Bill of Lading .....	4-1
Billing/Invoice.....	4-1
B. DIRECT SHIPMENTS .....	4-2
C. CHANGING AND CANCELING ORDERS.....	4-3
D. TIME AND PLACE OF DELIVERY .....	4-3
Delivery Times.....	4-4
Discrepancies .....	4-4
E. SELECTING MORE FREQUENT DELIVERIES.....	4-5
Changes .....	4-5
Delivery Amounts .....	4-5
Offering Deadlines.....	4-5
F. SUMMER PROGRAMS.....	4-6
 <b>V. STORAGE OF COMMODITIES.....</b>	 5-1
A. STORAGE FACILITY REQUIREMENTS.....	5-1
B. REVIEW OF STORAGE FACILITIES.....	5-2
C. SECURITY GUIDANCE FOR STORAGE FACILITIES.....	5-9
 <b>VI. USE OF COMMODITIES.....</b>	 6-1
A. ALLOWABLE/UNALLOWABLE USES OF COMMODITIES.....	6-1
B. TRANSFER OF COMMODITIES BETWEEN AGENCIES.....	6-4
C. SCHOOL ROLE IN A DISASTER.....	6-5
 <b>VII. INVENTORY CONTROL REQUIREMENTS .....</b>	 7-1
A. INVENTORY .....	7-1
B. ANNUAL INVENTORY REPORT.....	7-1
C. REQUIREMENTS FOR SUMMER FEEDING PROGRAMS.....	7-2
 <b>VIII. PROCESSING OF COMMODITIES.....</b>	 8-1
A. OPTIONS .....	8-1
State Donated Food Processing Agreement .....	8-1
National Commodity Processing Agreement .....	8-2
B. RESPONSIBILITIES AND PROCEDURES .....	8-3
Transfer Restrictions .....	8-3
End Product Data Schedule .....	8-3
Product Information .....	8-3
Record Maintenance .....	8-4
Inventory.....	8-4
Storage.....	8-4
Loss of Donated Food .....	8-4
Provision of Information.....	8-4
C. PROVIDING DONATED FOODS TO PROCESSORS .....	8-5
Advance Order Diversion .....	8-5
Pickup of Donated Foods at Recipient Agency.....	8-5
Pickup at FDP Distribution Center .....	8-5

D. AGENCY BENEFITS .....	8-6
Discount System.....	8-6
Refund System .....	8-6
California Value Pass Through System .....	8-6
Fee for Service .....	8-6
California Credit System.....	8-7
 IX. COMMODITY LOSSES .....	9-1
A. REPORTING COMMODITY LOSS .....	9-1
B. COMMODITY LOSS CLAIMS .....	9-1
 X. COMMODITY HOLDS AND RECALLS .....	10-1
A. The Commodity Hold and Recall Process.....	10-1
 XI. SERVICE AND HANDLING CHARGES.....	11-1
A. METHOD OF DETERMINING SERVICE AND HANDLING CHARGES.....	11-2
Costs .....	11-2
Unit Charges.....	11-2
Charge Adjustments .....	11-2
Flat Rates .....	11-2
B. PAYMENTS OF INVOICES.....	11-2
C. PAYMENT OF DELINQUENT INVOICES .....	11-3
 APPENDIX GLOSSARY.....	A-1